

## **REMARKS**

Claims 1-28, 96, 104-105, 113-115, and 124 remain pending in the application. Claims 1, 7, 28 and 114 were amended and submitted on January 28, 2008, in timely response to the Interview Summary mailed on December 28, 2007. These amendments were in response to the helpful input received from the Examiner and her Supervisor during the corresponding Examiner Interview of December 13, 2007. As Applicants' representative has expressed via several telephone calls and messages to the Examiner and her Supervisor, Applicants fail to understand why the final rejection of February 11, 2008, did not address Applicants' Amendment and Response of January 28, 2008. Instead, the February 11, 2008 final rejection addressed Applicants' response of October 31, 2007 (submitted with a previous Request for Continued Examination). Accordingly, on April 11, 2008, Applicants respectfully requested that the finality of the February 11, 2008 office action be withdrawn, due to its failure to address Applicants' Amendment and Response of January 28, 2008. The Advisory Action mailed on April 24, 2008 refused to withdraw the finality of the February 11, 2008 office action and did not result in the entry of Applicants' April 11, 2008 Response After Final Rejection. Accordingly, Applicants are respectfully submitting the following remarks in connection with their concurrent filing of a Request for Continued Examination and Request for Telephonic Examiner Interview (submitted herewith), with the hope of discussing the amendments the Examiner and her Supervisor indicated they would review during the Examiner Interview of December 13, 2007. Applicants respectfully note that under MPEP § 713.02, "[a] request for an interview prior to the first Office action is ordinarily granted in continuing or substitute applications." Consequently, Applicants respectfully request that they be granted the opportunity to discuss this application prior to the first Office Action in response to the Request for Continued Examination submitted herewith.

Returning to the Examiner Interview of December 13, 2007, the Examiner and her Supervisor apparently perceived some ambiguity with respect to Applicants' claim language of "paying an aggregate fixed sum at maturity." For example, it was suggested such language could be perceived as meaning that a holder (or holders) of separate

contracts in a contract bundle would *pay* an aggregate fixed sum at maturity *for* an underlying basis of the contract bundle (such as a particular product or service), rather than the separate contracts in the contract bundle *paying off* an aggregate fixed sum at maturity to the holder or holders of the separate contracts within the contract bundle. Accordingly, Applicants have amended claims 1, 7, 28 and 114 to address this issue. No new subject matter has been added via Applicants' amended claims.

Applicants' amended claims are supported by Applicants' specification. For example, Applicants teach "an event contract may *pay off* either \$10 or \$0 depending on the outcome of a specified event. If a particular criteria is met (i.e. a particular outcome occurs), then the claim pays off \$10." Application Paragraph No. 0055 (emphasis added). Thus, one contract in Applicants' exemplary contract bundle is for the occurrence of the event and the other contract in the exemplary contract bundle is for the non-occurrence of the event. Accordingly, in this example, Applicants teach *paying off* an aggregate fixed sum at maturity of  $\$0 + \$10 = \$10$ .

Applicants' amended claims remain patentable over U.S. Patent No. 5,970,479 to Shepherd ("Shepherd") and U.S. Patent Application Publication No. US 2002/0042770 A1 to Van Slyke et al. ("Van Slyke"). Applicants teach *establishing* a contract bundle paying off an *aggregate* fixed sum at maturity. Van Slyke does not teach or suggest *establishing* a contract bundle paying off an aggregate fixed sum at maturity. Instead, Van Slyke Paragraph Nos. 268-269 teaches establishing an *unbundled* Liquid Insurance Contract ("LIC") that optionally may later be bundled with another already established (and unbundled) LIC.

Further, even if Van Slyke optionally bundles two already established LICs, this bundle will not *pay off an aggregate fixed sum at maturity*. Moreover, even if Van Slyke optionally bundles two already established LICs, this bundle will not *pay off an aggregate fixed sum at maturity, the aggregate fixed sum being determined and known at the time of establishment*. Determination of an aggregate fixed sum at maturity (that is known at the time of establishment) requires by definition the identification of the parts

forming the aggregate sum at the time of establishment. Van Slyke's parts forming the aggregate sum are unidentified at the time of establishment of a single (unbundled) LIC. Indeed, Van Slyke's parts forming the aggregate sum are identified (if at all) after the underlying LICs have already been established and optionally bundled.

Even assuming the respective contracts are bundled, Van Slyke's Liquid Insurance Contracts ("LIC") are not similar to Applicants' separate contracts. Van Slyke's abstract expressly states that (emphasis added): "A liquid insurance contract (LIC) comprises a security which is traded or tradable and which has cash flows to the issuer based upon a liability whose exact value is unknown at the time of issuance." By definition, if Applicants taught Van Slyke's bundle of separate contracts whose exact value was unknown at the time of issuance, the contract bundle would pay off an aggregate variable sum at maturity. Indeed, Applicants claim a contract bundle paying off an aggregate fixed sum at maturity that may be determined at the time of issuance.

Shepherd does not teach or suggest paying off an *aggregate* fixed sum at the time of maturity. In relevant pertinent part, Shepherd col. 4, lines 18-21 states (emphasis added): "stakeholders can input contract data representing at least one offered contract in at least one predetermined phenomenon, each said phenomenon having a range of future outcomes." Consequently, Shepherd pays a *variable* sum at the time of maturity that is only determinable and known at the time of maturity.

Although Applicants have made amendments, said amendments are made without prejudice to presentation or assertion in the future of claims on the subject matter affected thereby. Applicants reserve the right to pursue the original claims and/or similar claims in subsequent amendments, continuations or other descendents of the present application.

## CONCLUSION

Based on the foregoing remarks, Applicants believe the application is in condition for allowance. If the Examiner has questions regarding the case, the Examiner is invited to contact Applicants' undersigned representative at the number given below.

Respectfully submitted,  
John Nafeh and Kenton K. Yee

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By: K. Brian Bathurst

K. Brian Bathurst, Reg. No. 51,422  
Carr & Ferrell LLP  
2200 Geng Road  
Palo Alto, CA 94303  
Phone: (650) 812-3400  
Fax: (650) 812-3444